Calvert Memorial Hospital
Tradition. Quality. Progress.

CHS-1996

October 9, 2008

Ms. Pamela W. Barclay
Director, Center for Hospital Services
Maryland Health Care Commission
4160 Patterson Avenue
Baltimore, Maryland 21215-2229

Re: Calvert Memorial Hospital's Petition for Change in the Acute Inpatient Rehabilitation Services Section of the State Health Plan

Dear Ms. Barclay:

Thank you very much for the opportunity to comment on the responses given by several healthcare systems regarding Calvert Memorial Hospital's [CMH] petition to the Maryland Health Care Commission [Commission] to change the Acute Inpatient Rehabilitation Services Section of the State Health Plan.

I must say that I was encouraged by the number of positive and encouraging statements and ideas provided by some of these health systems that would permit CMH to move forward in developing a comprehensive integrated rehabilitation program. Specifically, I was delighted to see that Adventist HealthCare's position is to urge an amendment to the State Health Plan that would permit the docketing and review of a CON application for the Southern Maryland region. Adventist HealthCare recognizes that Southern Maryland is underserved for inpatient rehabilitation services and they clearly recognize the need for regionalization of healthcare services. Greater Laurel Hospital, which is 90 minutes from Prince Frederick and even further from many sections of Southern Maryland, has been operating for a number of years at occupancy levels below the targeted goals established in the State Health Plan. We believe it is fundamentally unfair to deny an application for consideration of an organization that's committed to developing and operating a quality program because of the failure of another organization to meet specific occupancy levels.

We also were encouraged and support the position of HealthSouth suggesting that the occupancy standard in a single facility may have the unintended consequence of not permitting the entry of a new provider where there may be need. Furthermore, we agree with HealthSouth's position that the current Docketing Rule is too restrictive and should be eliminated.

CMH further agrees with HealthSouth that the Rehabilitation Chapter in the State Health Plan needs an update since the last review was completed almost eight years ago. At the same time, CMH is very concerned that if the Plan is not updated soon, patients would be denied access to this level of care, if needed.

Most health care experts agree that health care is local and to deny an entire region of the state access to inpatient rehabilitation beds is not a sound health policy. We believe the Commission can make an exception for Southern Maryland since it is the only region in the state without access to such services. I should also bring to your attention that at a recent meeting with HealthSouth representatives regarding our request, HealthSouth identified a need for 35 inpatient rehabilitation beds for Southern Maryland which is significantly higher than CMH's estimates.

In regard to Medstar Health's response, CMH was quite disappointed in their response given the fact that MedStar Health owns 25 percent of CMH's outpatient rehabilitation facilities in Calvert County. In their letter, they recommend greater use of less intensive outpatient services over developing inpatient capacity despite not offering any assistance in our joint venture [over the last ten years] to enhance ambulatory rehabilitation services. Although we agree that inpatient need projections need to be made, CMH believes it is the burden of the applicant to articulate this need through the CON process since the State Health Plan has not been updated. MedStar Health suggests that because of reimbursement challenges of inpatient rehabilitation services, there have been closures of rehabilitation programs across the country. To my knowledge, there have been no closures in Maryland and, in fact, capacity has increased recently due to the opening of the rehabilitation center at Memorial Hospital at Easton.

MedStar Health also suggests that CMH's sole justification for an inpatient rehabilitation unit is because Laurel Regional Hospital is underperforming which is totally inaccurate. CMH wants to have the opportunity to present its case through the CON process. If the Commission determines that CMH fails to justify unmet needs, then CMH should not be awarded a CON. It appears that MedStar Health desires to restrict capacity growth because it believes continuation of existing policies would benefit their organization at the expense of a region that is underserved. To say that access to inpatient rehabilitation services can be provided by facilities exceeding 90 minutes driving time is inappropriate. CMH would like to demonstrate that it can provide a quality inpatient rehabilitation center because we believe we have all the necessary expertise on-hand.

Finally, what MedStar fails to recognize is that families in Southern Maryland do not wish to travel to Baltimore, D.C. or Laurel for inpatient rehabilitation services. This service is very different than transplant services, open heart surgery, NICU's etc., where families accept traveling to tertiary care facilities for these levels of care. Many patients and their family members from Southern Maryland currently utilize our Transitional Care Unit for rehabilitation services which is not licensed to support the level of rehabilitation services needed for these patients. If approved, CMH plans to de-license its current 18-skilled nursing home beds and convert those beds to inpatient rehabilitation beds.

We hope that our response to the comments made by other rehabilitation service organizations assists the Commission in making a favorable decision on our request. Again, we stand ready to provide the Commission as much information as necessary to render a decision.

Sincerely,

JAMES J. XINIS
President & CEO

cc:
Frank Monius, Assistant VP, MHA
William G. "Bill" Robertson, President and CEO, Adventist HealthCare, Inc.
Paula S. Widerlite, VP System Strategy, Adventist HealthCare
Kenneth A. Samet, President and CEO, MedStar Health
Michael C. Rogers, Executive VP Corporate Svcs, MedStar Health
Carolyn Jacobs, HealthSouth Representative, Attorney at Law
Gary Crowley, Cindy Kelleher, HealthSouth
Edward A. Eckenhoff, President and CEO, National Rehabilitation Hospital
Jack Eller, Attorney, Ober, Kaler, Grimes & Shriver